

The Impact of Earnings On Academic Staff Retention in Ugandan Universities

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Abstract

The study investigates the impact of earnings on academic staff retention in private and public universities in Uganda. Since higher academic institutions in Uganda are operating in a highly competitive environment, one of the challenges they face is employee retention. Universities have been induced by globalization which has intensified competition and increased the mobility of highly skilled employees, yet universities depend on these staff for success and better performance. Literature was reviewed in line with specific objective of the study as it established the impact of remuneration on academic staff retention in university 1 and university 2. The study was conducted through a survey research design. Quantitative research approach was employed to collect data from the target population. The target population of the study was 771 and the sample size was 186 from both universities. The sample size was calculated using Slovene's formula, stratified random sampling technique was employed. Data was collected using questionnaires and public literature such as journals, articles and text books.

Data was analyzed quantitatively, using a logistic regression model and using SPSS version 22 and Stata version 15 soft wares. Validity index was computed at (0.89). 79% reliability was computed. The study recommended that remuneration and academic staff retention was established at 0.61 level of significance. The study recommended that academic staff retention policies should base on remuneration and recommended that remuneration of staff be addressed in order to make universities prosperous.

Another endorsement was that higher institutions should conduct exit interviews with quitting members of staff so as to identify the major reasons for quitting.

Keywords: Academic staff retention, remuneration, Ugandan universities,

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1.0 Introduction:

1.1 Background:

Internationally, university teaching jobs are considered, prestigious, competitive and lucrative in nature. In Africa, teaching at universities has been regarded as a principal job for many individuals (M. Mihyo and O. Makhoka, 2007). Ugandan universities have been failing to attract and retain highly qualified individuals for their teaching jobs. This has resulted into acute² shortage of academic staff that appears to be already affecting the quality of university education within the country. Historically, the problem of low retention of employees is not a new phenomenon. In universities, this problem is gaining ground in many countries (Yousa, 2010). In USA, around 20% of public university faculties leave their jobs annually. Administrators are finding it difficult to retain highly experienced employees as they are being attracted by competitors with various types of incentives (Lee, 2009). unless universities identify and apply suitable remuneration strategies, they will continue experiencing frequent turnover of key staff and hence losing their skilled man power to contestants.

1.2 Problem statement

Academic staff retention³ has been a germane issue in higher education institutions for the past three decades (Ng'ethe, Iravo and Namusonge, 2012). High academic staff turnover has severe problems on the quality of academic graduates shaped by the universities. It also partakes antagonistic effects on students who receive poor services when teaching positions are vacated and then filled by inexperienced staff (Masaiti and Naluyeye, 2011).

While academic staff retention continues to be a challenge across the world, the state of affair in many African countries seems to be particularly urgent (Tetty, 2010). There is inadequate teaching capacity in African universities because, much of the expertise base of these institutions has been eroded (Havenga, 2011). If there are no urgent solutions then African universities will lose their capability to protect the quality of intellectual brains in Africa (Obayako, 2012).

² Unpleasant or unwelcome situation

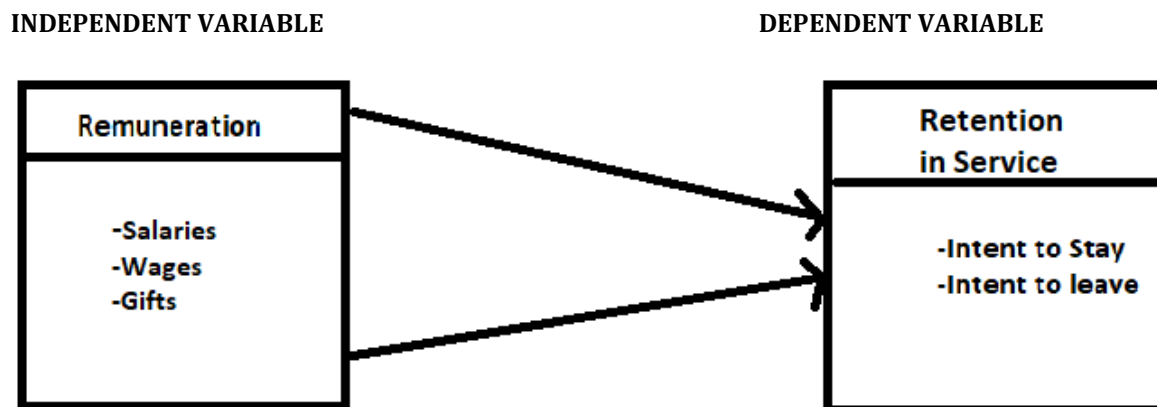
³ Continued possession, use or control of something

In Uganda⁴, evidence suggests that there is high rate of academic staff turnover. Ugandan institutions of higher learning are facing major challenges in retaining experienced and talented academic staff (Zhou, 2015). Institutions are failing to cope up with huge exodus⁵ of senior academic staff that has extensive research skills and teaching experiences (Mushonga, 2015). High academic staff turnover has given rise to a large number of unfilled posts, understaffing, reliance on part-time lecturers and high student to staff ratios (Zhou, 2015). The ranking of Ugandan universities in the world is very pathetic with the University of Makerere being the only university to appear among the top 3000 universities in the world (Webometrics, 2017).

The study therefore seeks to establish the determinants of academic staff retention in Ugandan public and private universities with particular reference to two universities from Busoga region ⁶(University 1 and University 2). The study involves general investigations into the factors which influence academic retention in Ugandan universities. It specifically seeks to ascertain whether remuneration has an influence on academic staff retention.

1.3 The conceptual framework:

The study adopted the conceptual framework developed by Shan and Burke (2013). The conceptual framework suggests that employee retention (dependent variable) is determined by remuneration (independent variable). The study analyzed the extent to which the explanatory variables influence employee retention (D.V).⁷



⁴ A country in East Africa

⁵ Means exiting from something

⁶ Is a kingdom and one of the four constitutional monarchies in present day Uganda.

⁷ Dependent Variable

2.0 LITERATURE REVIEW:

This chapter presents the theoretical orientation of the study with references related to the variables and objective of the study.

It's an established fact around the globe that a person with a high pay has a positive attitude towards the job as compared to those with less pay who are characterized with poor levels of education. Poor pay has been cited by many researchers worldwide as the major cause contributing to the exiting of staff. (Tetty, 2010) states that discontentment with salaries is a key factor that deflates commitment of academicians to their works.

Many scholars theorized about the relationship between remuneration⁸ and retention in service. According to the reinforcement theory (Aswathappa, 2005), the implication of remuneration is that, high employee performance followed by a pecuniary reward is most likely to make future employee performance and thus, subsequently increases retention in service. On the other hand, the equity theory (Adam, 1963), suggests that staffs who perceive inequality in remuneration seek to restore equality by changing employers and jobs which negatively implicates retention in service. Both theories highlight the importance of remuneration and turn-over in service. This however, does not show the remuneration form that has greater influence on retention which is very vital. Such information would clarify where employers should focus in an effort to improve employee's retention in service. (Kanamwagi, 2005), investigated factors that affect employee retention in Makerere University using a sample of lecturers and found out that salaries for academic staff in Makerere were very near to the ground, a fact that has impelled many of them to forsake their academic calling. The education policy review commission of 1989 also carried out similar study and then reported in the white paper on education reform (Uganda government, 1992) that among other factors, poor salaries led to the exodus of the academic staff from Makerere University 1nd other institutions of higher learning.

Gilpin (2012), in his study established that teacher's aptitude is positively correlated with teacher salaries, thus academic staff with higher pay have higher intentions to remain in service. This correlation supports the equity theory of Adam discussed in the conceptual framework as academic staff will need that their skills be highly rewarded. This agreed with

⁸ Money paid for work or a service

Amutuhaire (2011) who found out that lecturers' intentions to retain their careers is positively co-related with payment.

All these studies indicate that as one's (academic staff) realizes that his or her remuneration can't provide them with tolerable standards of living, they are prompted to pull out of lecturing to look for better remuneration elsewhere. All these work against their motivation to remain lecturing thus, affecting their retention in service.

With the above said facts, there has been no study particularly carried out in both private and government universities found in Busoga region to establish how remuneration impact academic staff retention in Ugandan universities. Tetey (2006), reported that discontent with earnings is a key factor undermining commitment of academicians to their institutions and careers and consequently their decision to leave, but the study did not exactly show how the two variables relate particularly in university 1 and university 2 found in Uganda in Busoga region and hence the significance of this study.

3.0 METHODOLOGY:

3.1 Sources of data:

Data for the study was gathered from primary sources. The data used in this study originated from quantitative survey of academic staff from two universities. The target populace of the study comprised of 771 academic staff members in university 1 and 2. The sample size was 186 respondents from both University 1 and University 2. 105 lecturers were selected from university 1 and 81 lecturers were selected from university 2. The sample size was calculated using Slovene's formula, $N = N/1(Ne)^2$.

Sample size:

Name of university	Academic staff members
University 1	105
University 2	85

Source: Survey data (2022).

3.2 Sampling design

The study was conducted through a survey design. Simple random sampling was used to choose respondents in order to ensure that members stand equal chance of being selected.

3.3 Data collection instruments

Due to the fact that the study applied a quantitative research approach, questionnaires served as the means of gathering data. A pilot test with sample size of 20 respondents was carried out before the actual distribution of questionnaires. These were distributed to the respondents at the University 1 who were not included in the final study.

3.4 Theoretical research model:

3.5 Binary logit model

The study analyses how much the hypothesized factor is related to academic staff retention in Ugandan academic institutions. The dependent variable is a dummy thus; it takes a value of zero or one depending on whether or not an academic staff member intends to leave his or her job. However, the logistics regression (logit) model was adopted for this study. This model is not restricted by the normality assumption which is a basic assumption in the ordinary least squares regression analysis (Maddala, 2009).

3.6 The model specification:

The logistic model was estimated and given as;

$$INTENT = \beta_0 + \beta_1 \text{ remun} + \mu \dots \dots \dots (i)$$

The dependent variable is called INTENT and is a binary variable which is used to determine if a lecturer intends to leave (INTENT=1) or intends to stay (INTENT=0) current employment. The explanatory variable is remuneration and the error term μ represents all other possible determinants of academic staff retention which are not explained by the model.

3.7 Discussion of results:

Data gathered through the questionnaire approach was first fed into Ms. Excel version 2019. It was then exported to Stata version 15 and SPSS version 22 software packages for analysis as seen in the correlational and regression table below.

Correlation on staff retention and remuneration

Staff Retention	Pearson Correlation	Staff Retention	Remuneration
	Sig.(2-tailed)	1	.075
	N		.0306
			186



The correlation on staff retention and remuneration is significant at level 0.075 which is above 0.5 meaning that the higher the remuneration, the higher the chances of academic staff retention at universities; which was in line with the findings of (Businge, 2004) and (Amutuhaire, 2011) who agrees that staff turnover, is a very big problem in African universities. Therefore, failure to handsomely attract lecturers and provide good working conditions, results into loss of staff.

Regression Analysis of Earnings and Academic Staff Retention

```
. ologit Rententi Salary, offset(Overtime)
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Iteration 0: log likelihood = -306.63255
Iteration 1: log likelihood = -245.00846
Iteration 2: log likelihood = -244.81707
Iteration 3: log likelihood = -244.81693
Iteration 4: log likelihood = -244.81693
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Ordered logistic regression           Number of obs   =           186
Wald chi2(1)                         =              0.36
Log likelihood = -244.81693          Prob > chi2     =           0.5476
```

Rententi	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
Salary	.1067265	.1774926	0.60	0.548	-.2411526 .4546056
Overtime	1	(offset)			
/cut1	-.1363794	.4272258			-.9737265 .7009678
/cut2	.2521925	.4057594			-.5430813 1.047466
/cut3	1.126903	.3793332			.383424 1.870383
/cut4	1.671366	.3766341			.933177 2.409556

4.0 CONCLUSION, RECOMMENDATION AND AREA FOR FURTHER RESEARCH

4.1 Conclusion:

Employee retention absolutely contributes towards the triumph of organizations because it condenses the cost and time of assigning new workforces. Long tenure employees are used to the culture of the university and their experience gives a better satisfaction. Additionally, employee retention leads to effective research, maintains creativity, direction, learning potential, autonomy in production plus keeping critical skills and intellectual capital. Hence, this study concluded that positive remuneration relating to employee retention was important.

4.2 Recommendation:

In light of the fact that remuneration significantly influences academic staff retention, there is need for academic institutions of higher learning in Uganda to acquaint themselves to salary structures which reward staffs in accordance with their performance. Additionally, some academic faculties experience higher employee turn-over than others, hence there is need to use a reward based system which takes such differences in turn-over into consideration. Thirdly salary packages of teaching staff in private and government universities should be increased and made relevant to prevailing economic circumstances by reviewing them periodically to promote academic staff retention. Another recommendation was that, academic institutions of higher learning in Uganda should conduct evacuation interviews with quitting members of staff so as to identify the major reasons for resigning.

4.3 Areas for further research:

There is a prerequisite to find out whether academic staff that quit University 1 and University 2 join other higher institutions of learning or other service sectors. Apart from the variable that the researcher concentrated on, further research using secondary data should be conducted to evaluate whether working environment influences lecturers for their retention in service.

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